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THE WHITE HOUSE

WASHINGTON

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March 28, 1983

MEMORANDUM FOR DAVID A. STOCKMAN

FROM:

WILLIAM P. CLARK V

SUBJECT:

Civil Service Retirement Reforms

George Shultz and Bill Casey have contacted me about the Civil Service retirement reform proposals. George subsequently followed up with the memorandum to the President at Tab A. They believe that two of the proposed reforms—changes to the early retirement rules and the retirement computation formula (1.5% multiplier proposal)—would adversely affect their organizations by failing to recognize the special hardships and stress associated with serving overseas.

State points out that the 5% adjustment is especially inequitable for Foreign Service Officers because of the Service's selection-out policy, which requires involuntary retirement of officers not promoted within certain time periods. CIA argues that these changes would erode the Agency's capability to perform the President's taskings by causing a disastrous loss of experienced personnel, crowding out promotion opportunities, and harming recruitment efforts.

I realize that you may have sound reasons for arguing to the contrary on these proposed changes. In view of the strong differences of opinion, however, I believe you should send the President a decision memorandum that discusses the proposed changes with input from State and CIA. I would be happy to comment on the memorandum as well.

Attachments

Tab A Shultz memorandum to the President

Tab B CIA letter to the President

cc: George Shultz

Bill Casey Jim Baker Ed Meese